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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/743,201	12/22/2003	Kiritharan Parankirinathan	LECPRV1	6878

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EXAMINER

BLECK, CAROLYN M

ART UNIT PAPER NUMBER

3626

DATE MAILED: 11/12/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

10/743,201

Applicant(s)

PARANKIRINATHAN, KIRITHARAN

Examiner

Carolyn M Bleck

Art Unit

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 22 December 2003.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-10 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-10 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date 6/3/04, 2/20/04.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

## **DETAILED ACTION**

### ***Notice to Applicant***

1. This communication is in response to the application filed 22 December 2003. Claims 1-10 are pending. The IDS statements filed 20 February 2004 and 3 June 2004 have been entered and considered.

### ***Claim Rejections - 35 USC § 112***

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claim 2 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

The term "about" in claim 2, line 2, is a relative term which renders the claim indefinite. The term "about" is not defined by the claim, the specification does not provide a standard for ascertaining the requisite degree, and one of ordinary skill in the art would not be reasonably apprised of the scope of the invention. The Examiner requests clarification of the phrase "payable at about the beginning date."

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. Claims 1-10 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

(A) For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example), and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the process must somehow apply, involve, use, or advance the technological arts.

In the present case, claim 1 only recites an abstract idea. The recited steps of merely selecting a group of insured lives such that the insured lives belong to a mortality class as of the beginning date and an end date, calculating an expected death benefit payable to the Coverage Recipient due to extended deaths of the members of the group of insured lives..., calculating a single premium..., committing the Coverage Provider to pay the Coverage Recipient a first benefit..., and committing the Coverage Recipient to pay a set of premiums to the Coverage Provider... does not apply, involve, use, or advance the

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technological arts since all of the recited steps can be performed in the mind of the user or by use of a pencil and paper. These steps only constitute an idea of how to provide survival risk insurance.

Additionally, for a claimed invention to be statutory, the claimed invention must produce a useful, concrete, and tangible result. In the present case, the claimed invention calculates an expected death benefit and a single premium (i.e., repeatable) used in survival risk insurance (i.e., useful and tangible).

Although the recited process produces a useful, concrete, and tangible result, since the claimed invention as a whole, is not within the technological arts as explained above, claim 1 is deemed to be directed to non-statutory subject matter.

(B) Claims 2-10 inherit the above deficiencies through dependency, and are thus rejected for the same reasons provided for in claim 1, and incorporated herein.

### ***Claim Rejections - 35 USC § 102***

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

4. Claims 1-10 are rejected under 35 U.S.C. 102(b) as being anticipated by Finfrock et al. (5,592,379).

(A) As per claims 1-10, Finrock discloses a method for managing and distributing interest from pooled government bonds and the like (Abstract) comprising:

(a) selecting a group of insured lives such that the insured lives belong to a mortality class as of a beginning date (col. 1 line 60 to col. 2 line 18, col. 6 lines 9-54);

(b) calculating an expected death benefit payable to the Coverage Recipient due to expected deaths of the member of the group of insured lives, said deaths occurring between the beginning date and an end date (col. 3 lines 22-50);

(c) calculating a single premium wherein the single premium is equal to or greater than the sum of the discounted survival risk benefits for each life in the group of insured lives less the present value as of the beginning date of the expected death benefits of the survivors of said group of insured lives payable after the end date (col. 1 line 60 to col. 2 line 18, col. 6 lines 9-54);

(d) committing the Coverage Provider to pay the Coverage Recipient a first benefit equal to a percentage of the positive difference between the expected death benefit and an actual death benefit payable to the Coverage Recipient due to actual deaths of members of the group of insured lives, said deaths occurring between the beginning date and the end date (col. 1 line 60 to col. 2 line 18, col. 6 lines 9-54, col. 7 line 5 to col. 8 line 61); and

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(e) committing the Coverage Recipient to pay a set of premiums to the Coverage Provider in exchange for the first benefit wherein the set of premiums has a present value as of the beginning date equal to the single premium (col. 1 line 60 to col. 2 line 18, col. 6 lines 9-54, col. 7 line 5 to col. 8 line 61).

In addition, Finrock discloses a computer readable program including means for causing said computer system to periodically process said participation data to determine the total number of living participants relative to the number of bonds purchased and interest producible therefrom to produce total participation data; means for determining the periodic interest rate and redemption value of said bond based on the number of living participants within the program; output means responsive to said total participation data for providing portfolio management data output reports so that interest can be paid out to the living participants; means for distribution of bond redemption value to participants or participant's heirs; output means for generating a management report including said portfolio management data and said participation data.

Finrock also discloses a means for determining the statistical life span of a group of participants; means for estimating the amount of interest produced to each participant for each year of participation; and means for estimating the amount of interest produced to each living participant for each year of participation; wherein said means for determining the statistical life span of a group of participants, said means for estimating the amount of interest produced to each participant, and said means for estimating the amount of interest produced to each living participant determine said predetermined group size.

***Conclusion***

5. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Carolyn Bleck whose telephone number is (703) 305-3981. The Examiner can normally be reached on Monday-Thursday, 8:00am – 5:30pm, and from 8:30am – 5:00pm on alternate Fridays.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas can be reached at (703) 305-9588.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Receptionist whose telephone number is (703) 306-1113.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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6. **Any response to this action should be mailed to:**

Commissioner of Patents and Trademarks  
Washington, D.C. 20231

**Or faxed to:**

(703) 872-9306 or (703) 872-9326 [Official communications]

(703) 872-9327 [After Final communications labeled "Box AF"]

(703) 746-8374 [Informal/ Draft communications, labeled  
"PROPOSED" or "DRAFT"]

Hand-delivered responses should be brought to Crystal Park 5, 2451 Crystal Drive, Arlington, VA, 7th Floor (Receptionist).

  
CB

November 4, 2004



**ALEXANDER KALINOWSKI  
PRIMARY EXAMINER**